

NM Oil Cons. Commission
Drawer DD

Artesia, NM 88210

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1B. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

D. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Yates Petroleum Corporation

3. ADDRESS OF OPERATOR

105 South Fourth Street, Artesia, NM 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface

1650' FSL & 1650' FWL

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 24 miles N NW of Roswell

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT. 1650'
(Also to nearest drig. unit line, if any)

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED
TO THIS WELL

1650 160

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH
3250'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4051.0' GR

22. APPROX. DATE WORK WILL START*
ASAP

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/2"	8 5/8"	24.0# J-55	1200'	1200 sacks circulated
7 7/8"	4 1/2"	9.5# J-55	TD	350 sacks approx. 3600'

Yates proposes to drill and test the Abo and intermediate formations. Approximately 1200'
of surfacing casing will be set and cement circulated.

If commercial, production casing will be run
and cemented with adequate cover, perforated and stimulated as needed for production.

MUD PROGRAM: FW/GEL/LCM to 1200', Cut Brine to 2700', Starch/Drlspak to TD.

BOP PROGRAM: BOP will be installed at the offset and tested daily for operational.

GAS NOT DEDICATED:



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Clifton R. May

TITLE Permit Agent

DATE 8/8/89

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

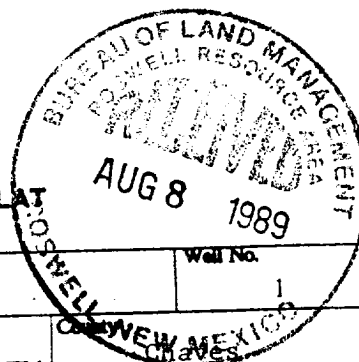
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Benito Rd., Aztec, NM 87410

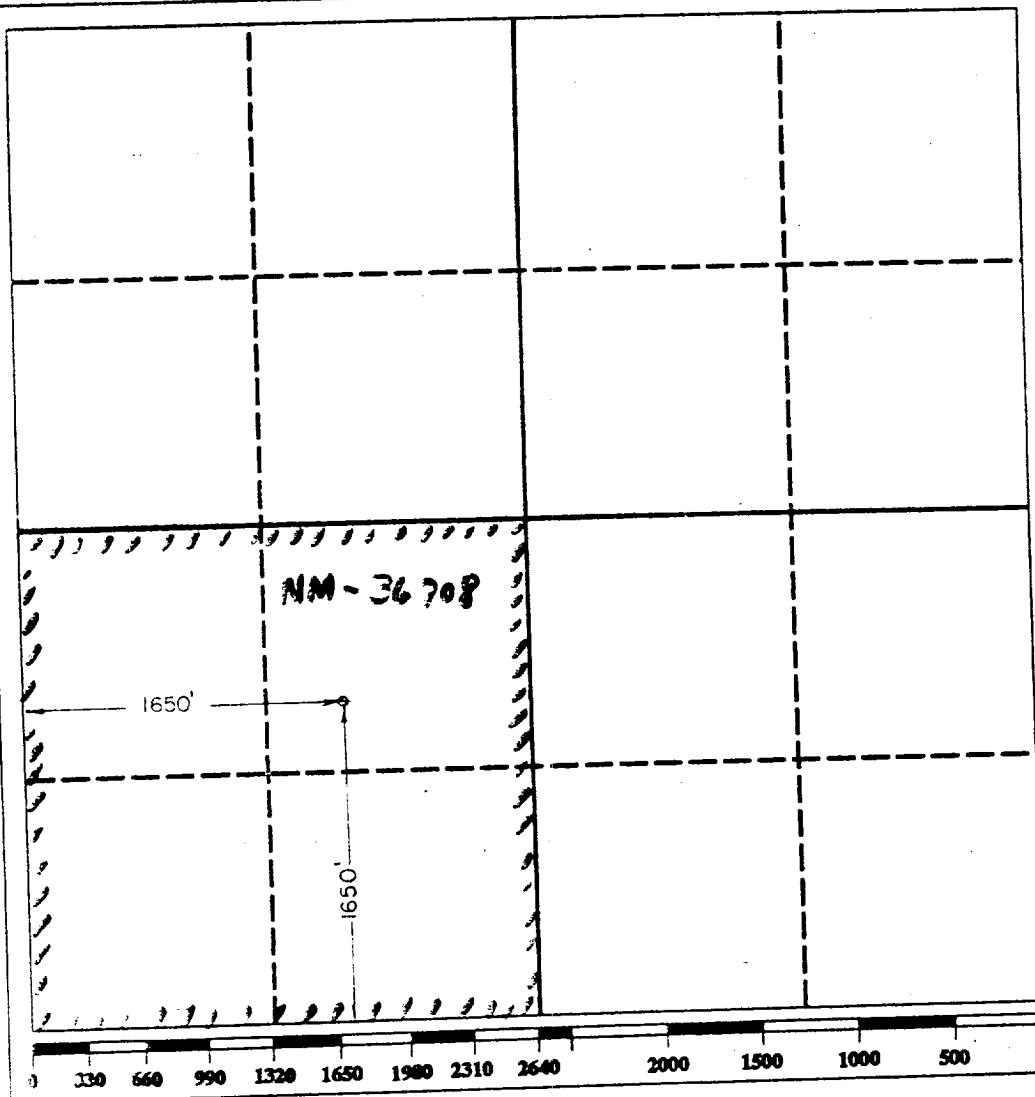
WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section



Operator YATES PETROLEUM CORPORATION		Lease VENTURE "YV" FEDERAL		Well No. 1
Unit Letter K	Section 11	Township 8 South	Range 22 East	County NEW MEXICO
Actual Footage Location of Well: 1650 feet from the South line and 1650 feet from the West line				
Ground level Elev. 4051.0	Producing Formation Abo	Pool WILDCAT	Dedicated Acreage: 160 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
☐ Yes ☐ No If answer is "yes" type of consolidation
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Clifton R. May
Printed Name
CLIFTON R. MAY
Position
PERMIT AGENT
Company
YATES PETROLEUM CORPORATION
Date
8-8-89

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
8/2/89
Signature & Seal of Professional Surveyor
HERSCHEL L. JONES
Certification No. 3648



YATES PETROLEUM CORPORATION
Venture YV Federal #1
1650' FSL & 1650' FWL
Section 11-T8S-R22E
Chaves County, New Mexico

In conjunction with Form 3160-3, Application for Permit to Drill Petroleum Corporation submits the following ten items of pertinent information with USGS requirements.

1. The geological surface formation is Sandy Alluvium.
2. The estimated tops of geologic markers are as follows:

Glorietta	577'
Fullerton	1938'
Abo	2653'
TD	3250'.
3. The estimated depths at which anticipated water, oil or gas formation to be encountered:

Water:	Approximately 250' - 350'
Oil or Gas:	- Abo - 3470'
4. Proposed Casing Program: See Form 3160-3
5. Pressure Control Equipment: See Form 3160-3 and Exhibit B
6. Mud Program: See Form 3160-3
7. Auxiliary Equipment: Kelly Cock; pit level indicators and flow sub with full-opening valve on floor, drill pipe connection.
8. Testing, Logging and Coring Program:

Samples:	Surface casing to TD
DST's:	As warranted
Coring:	None anticipated
Logging:	CNL/FDC from TD to casing with GR-CNL on to surface; D
9. No abnormal pressures or temperatures are anticipated.
10. Anticipated starting date: As soon as possible after approval.



MULTI-POINT SURFACE USE AND OPERATIONS PLAN
Yates Petroleum Corporation
Venture YV Federal #1
1650' FSL & 1650' FWL
Section 11, T8S-R22E
Chaves County, New Mexico

This plan is submitted with Form 3160-3, Application for Permit to Drill above described well. The purpose of this plan is to describe the location of the proposed well, the proposed construction activities and operations plan, the surface disturbance involved and the procedures to be followed in rehabilitating the surface after completion of the operations, so that a complete appraisal of the environmental effect associated with the operations.

1. EXISTING ROADS:

Exhibit A is a portion of BLM Topographic map showing the well and road vicinity of the proposed location. The proposed wellsite is located approximately 1/4 mile N/NW of Roswell, New Mexico and the access route to the location is indicated in red and green on Exhibit A.

DIRECTIONS:

Go north of Roswell on 285 approximately 12 miles to Verbena Road. Turn left and follow Verbena Road approximately 10 miles to just before ranch headquarters. Upgrading of two track road will start here and go north and east to the well.

Note: A new cattle guard will be placed in the road above ranch headquarters.

Off lease right-of-way applied for is 2 miles in length being in the S/4 of Section 10 & the E/2NW/4, W/2NE/4, E/2SE/4 of Section 15-T8S-R22E.

2. PLANNED ACCESS ROAD

- A. The proposed access road will be approximately 2 miles in length from its origin to the southwest edge of the drilling pad. The road will be constructed in the north and east direction.
- B. The new road will be 14' in width (driving surface) and will be adequately graded and drained to control runoff and soil erosion.
- C. The new road will be bladed. Traffic turnouts will be built as needed.
- D. The route of the road is visible.
- E. The surface will not be caliche. Only necessary upgrading will be required to provide access to the well as allowed on a wildcat road.

3. LOCATION OF EXISTING WELL

- A. There is no drilling activity within a one-mile radius of the wellsite.
- B. Exhibit D shows existing wells within a one-mile radius of the proposed wellsite.

Venture YV Federal #1

Page 2



4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

- A. There are no production facilities on this lease at the pre
- B. In the event that the well is productive, the necessary pro will be installed on the drilling pad. If the well is prod or diesel self-contained unit will be used to provide the n power will be required if the well is productive of gas.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. It is planned to drill the proposed well with a fresh water will be obtained from commercial sources and will be hauled truck over the existing and proposed roads shown in Exhibit

6. SOURCE OF CONSTRUCTION MATERIALS:

- A. Additional construction materials may not be needed for drill constructing the access road into the location during drilli materials may be sufficient. If additional material is need bought from a private source in the NE/4, Section 22-T8S-R23
- B. No construction materials will be taken off federal land exc location and road which is on federal lands. Only if privat adequate, material will be taken from federal pit in Section

7. METHODS OF HANDLING WASTE DISPOSAL:

- A. Drill cuttings will be disposed of in the reserve pits.
- B. Drilling fluids will be allowed to evaporate in the reserve are dry.
- C. Water produced during operations will be collected in tanks approved disposal system, or separate disposal application w submitted.
- D. Oil produced during operations will be stored in tanks until
- E. Current laws and regulations pertaining to the disposal of h complied with.
- F. Trash, waste paper, garbage and junk will be buried in a sepa covered with a minimum of 24 inches of dirt. All waste mater contained to prevent scattering by the wind.
- G. All trash and debris will be buried or removed from the wells after finishing drilling and/or completion operations.

8. ANCILLIARY FACILITIES:

- A. None required.

9. WELLSITE LAYOUT:

- A. Exhibit C shows the relative location and dimensions of the w reserve pits, the location of the drilling equipment, rig ori road approach. A cross section of drill pad with approximate pad orientation is included.

Venture YV Federal #1

Page 3



- B. The reserve pits will be plastic lined.
- C. A 400' X 400' area has been staked and flagged.

10. PLANS FOR RESTORATION OF THE SURFACE:

- A. After finishing drilling and/or completion operations, all equipment material not needed for further operations will be removed. The wellsite will be cleaned of all trash and junk to leave the wellsite in as pleasing a condition as possible.
- B. Unguarded pits, if any, containing fluids will be fenced until they have been levelled.
- C. If the proposed well is non-productive, all rehabilitation and requirements of the Bureau of Land Management will be complied with as expeditiously as possible. All pits will be levelled within 90 days after abandonment.

11. OTHER INFORMATION:

- A. Refer to the archaeological report for a description of the topography, fauna, soil characteristics, swelling, historical and cultural sites.
- B. Waterways: None

12. SURFACE OWNERSHIP:

- A. The wellsite and access road is on federal surface administered by the Bureau of Land Management.
- B. The surface is leased to Robert Armstrong, P. O. Box 1973, Roswell, New Mexico 88201.

13. OPERATOR'S REPRESENTATIVE:

- | | |
|---|---|
| <p>A. Through A.P.D. Approval:</p> <p>Clifton R. May, Permit Agent
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210
Phone (505)-748-1471</p> | <p>B. Through Drilling Operations:</p> <p>Al Springer, Drilling Supervisor
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210
Phone (505)-748-1471</p> |
|---|---|

Venture YV Federal #1

Page 4

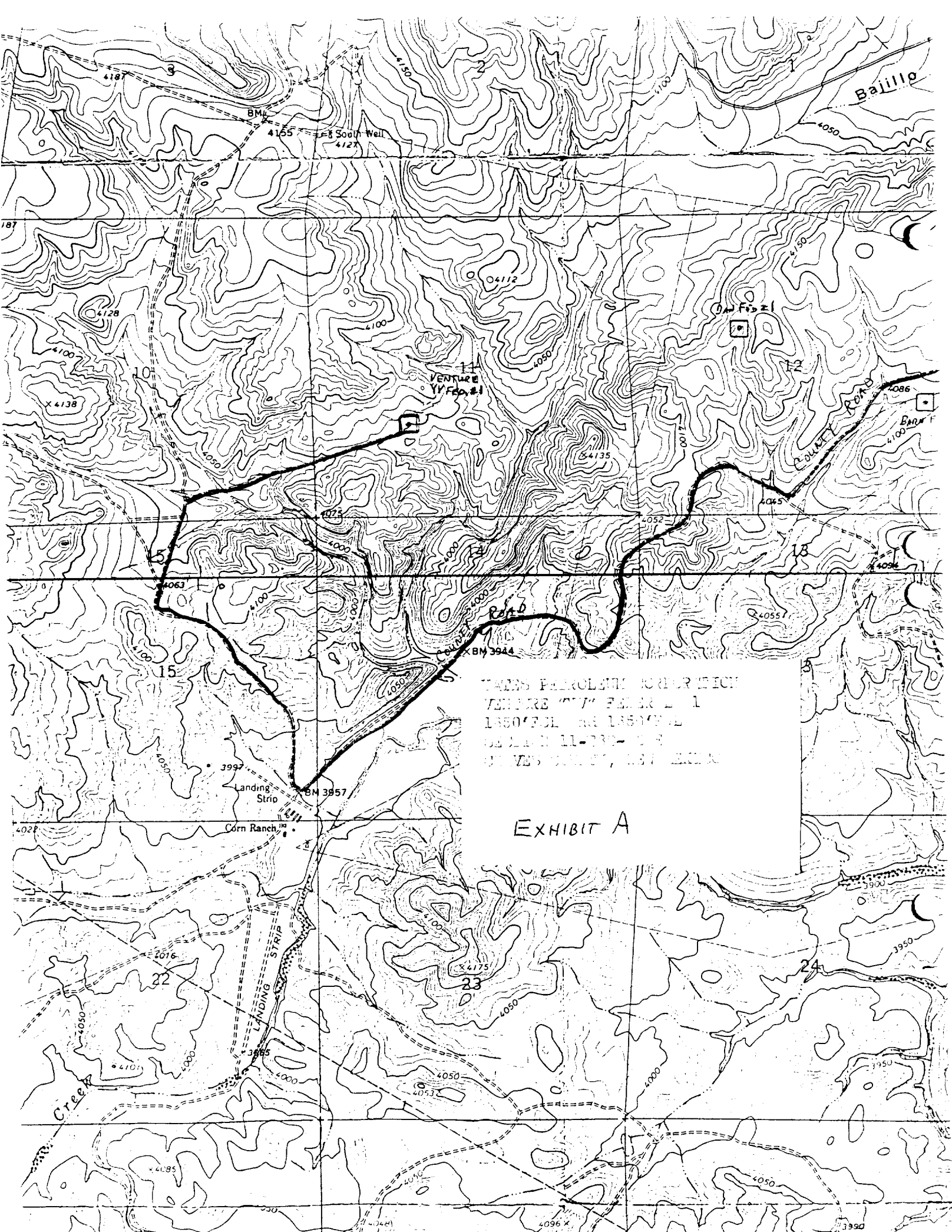


14. CERTIFICATION:

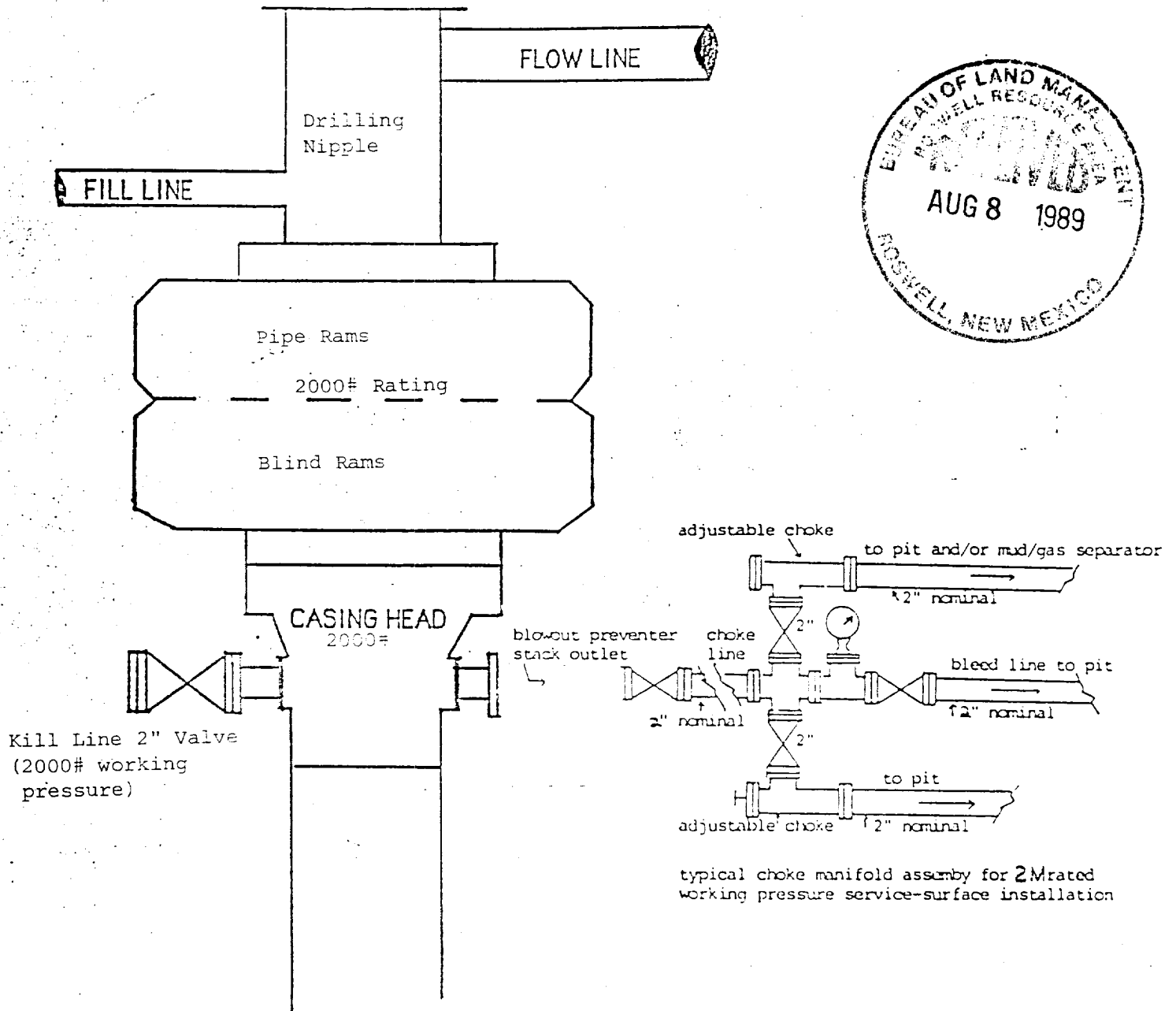
I hereby certify that I, or persons under my direct supervision, have proposed drillsite and access route, that I am familiar with the conditions presently exist; that the statements made in this plan are to the best of my knowledge true and correct; and, that the work associated with the operations proposed be performed by Yates Petroleum Corporation and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is a permit. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

8-8-89
Date

Clifton R. May
Clifton R. May
Permit Agent



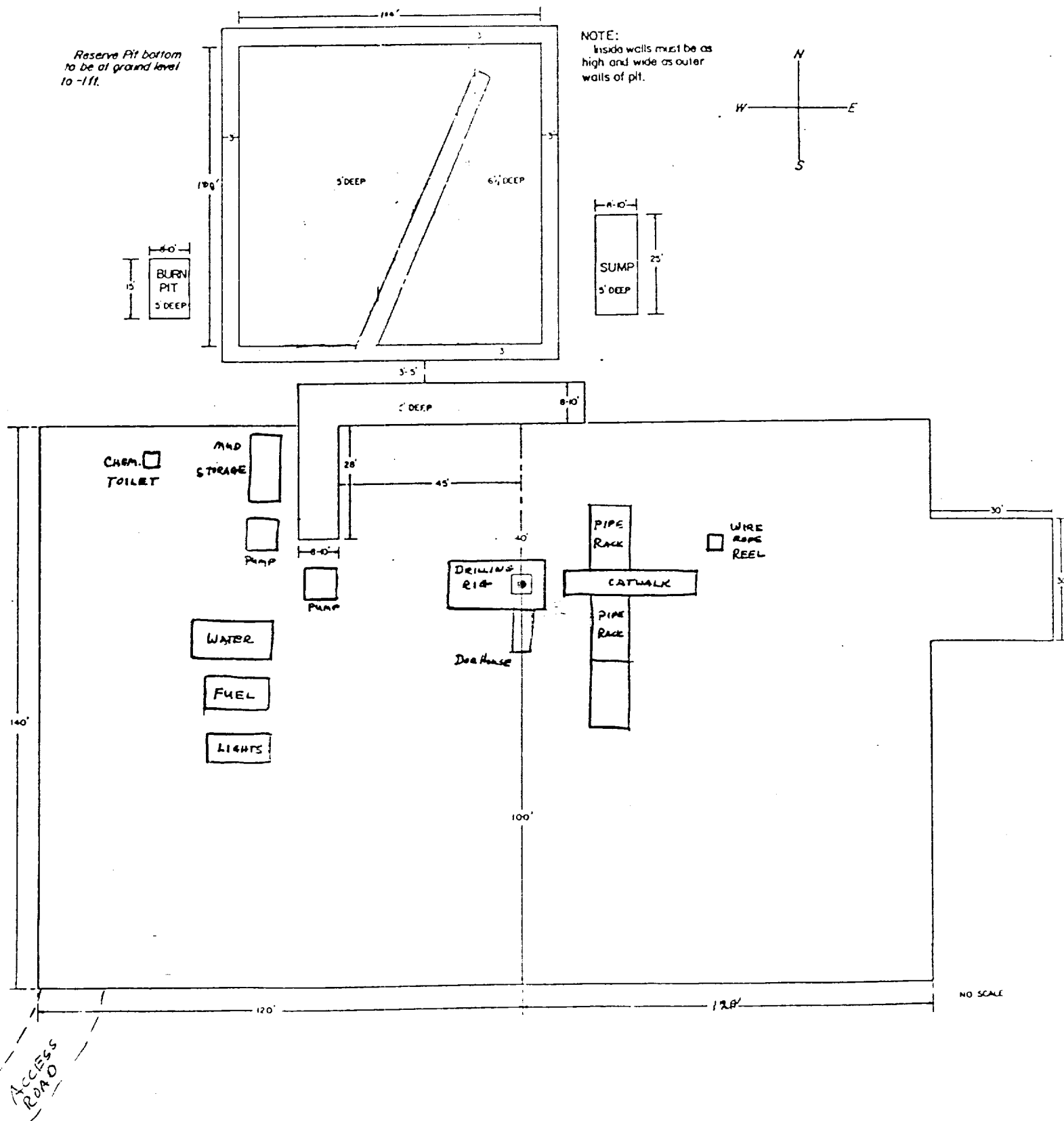
YATES PETROLEUM CORPORATION



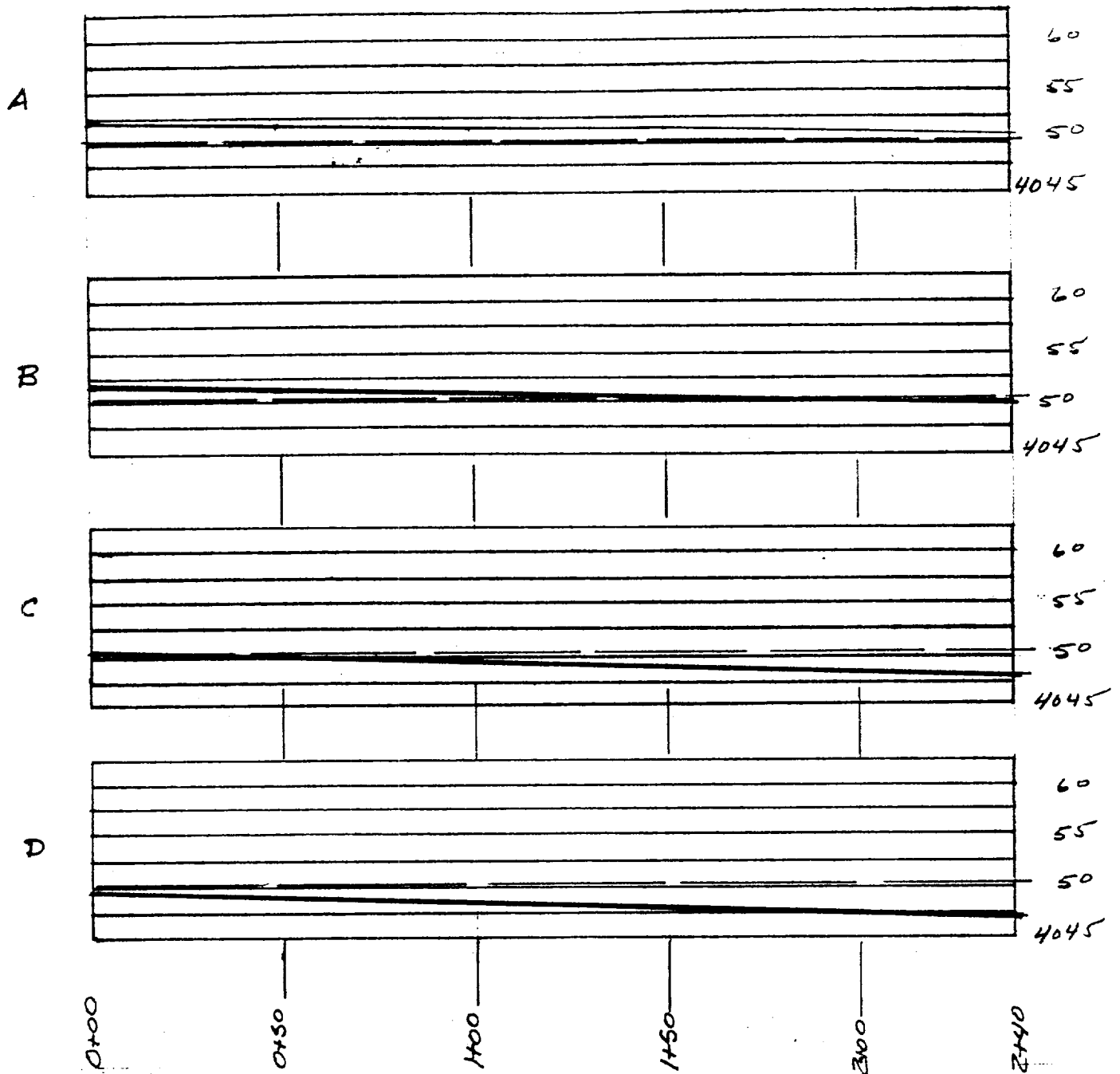
**BLOWOUT PREVENTER
2M SYSTEM**

EXHIBIT B

EXHIBIT C,



JOB No.

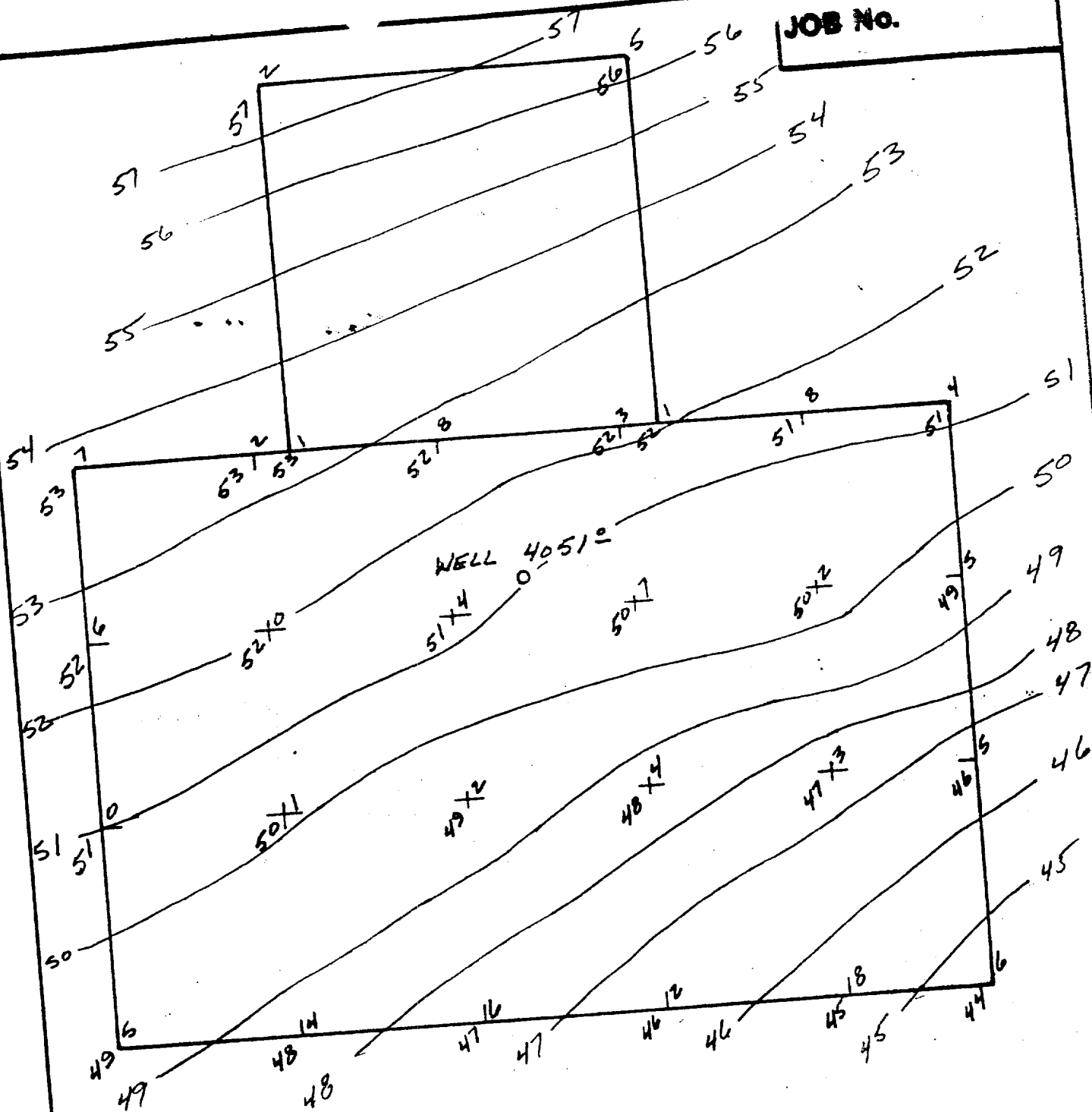


Cut 1295 cu. yds

Fill 1276 cu. yds.

EXHIBIT C₂

JOB No.



AVERAGE ELEV. 4050.1

EXHIBIT C3

THE PREPARATION OF THIS PLAT AND THE PERFORMANCE OF THE SURVEY UPON WHICH IT IS BASED WERE DONE UNDER MY DIRECTION AND THE PLAT ACCURATELY REFLECTS THE RESULTS OF SAID SURVEY AND MEETS THE REQUIREMENTS OF THE

3-1-90
36710
20 Mesa Pet.
Maxine Fed.
TD 3400
DIA 10-10-82

21

YATES PETROLEUM CORPORATION
VENTURE YV FEDERAL #1
1650' FSL & 1650' F#L
SECTION 11-8S-22E
CHAVES COUNTY, NEW MEXICO

36653
Mesa Pet.
24

"Carol-Fed."
U.S.
Yates Pet. et al
10-1-90 LG 8805
161 82
State

Yates Pet.
1-1-91
1-1-91

19
1.8 Mil.
China-Fed."
U.S.
1.3 Mil.
Mesa Pet.
36644

29

State

EXHIBIT D

25

Mesa Pet.
HBP
36653

30

Debbie-Fed."
U.S.

U.S.

U.S.

State

State

U.S.

"Bill-Fed."
U.S.

U.S.

ANR Prod.
1-1-91
LG-8181
176 89

32

33

34

35

36

31

Mesa Pet.
36644

State

U.S.

U.S.

U.S.

State

"Bend-Fed."
U.S.

Yates Pet.
3-1-91
36722
5

U.S.

U.S.

U.S.

State

U.S.

Yates Pet.
3-1-91
36722

8

Yates Pet.
3-1-91
36722

9

Yates Pet.
4-1-91
36721

10

Mesa Pet.
9-1-89
36708

11

Mesa Pet. 1/2
36652

12

Mesa Pet.
36643

1.3 Mil.
Abo Disc.
3 Mil.
C2-16-80

U.S.

U.S.

U.S.

U.S.

U.S.

Yates Pet.
3-1-91
36724

17

1VP

Yates Pet.
(ANR Prod.)
LG-9152

16

Yates Pet.
4-1-91
36725

15

Mesa Pet.
9-1-89
36708

14

Mesa Pet.
36652
Mesa Pet.
Barn-Fed.

13

Mesa Pet.
Barn-Fed.

Mesa Pet.
36643

18

Mesa Pet.
Rock-Fed.
TD 3400

U.S.

U.S.

U.S.

U.S.

U.S.

Yates Pet.
3-1-91
36724

20

Yates Pet.
3-1-91
36724

21

Yates Pet.
4-1-91
36725

22

Mitchell Ener. et al
8-27-85
R.W. Cornett

Mesa Pet.
9-1-89
36708

23

Mesa Pet.
36651

24

Mesa Pet.
Cindy-Fed.
TD 3900

Mesa
3-1-89
36642

19

Yates Pet.
3-1-91
36724

29

McElvain O&G
(Katherine Harvey)
LG-8999

"Corn Rch.-St."
State

Yates Pet.
3-1-91
36724

Mitchell Ener. V2
Kaiser Ener. V2
3-1-91
LG-8999
6002

State

28

"Sherri"
U.S.

McKay Oil
(Blackbird Co.)
22060

McKay Oil
(Blackbird Co.)
22059

27

"April"
U.S.

McKay Oil
(Blackbird Co.)
22059

26

"April"
U.S.

MTS 1/2
Mesa
HBP
36651

25

Mesa
3-1-89
36642

30

U.S.